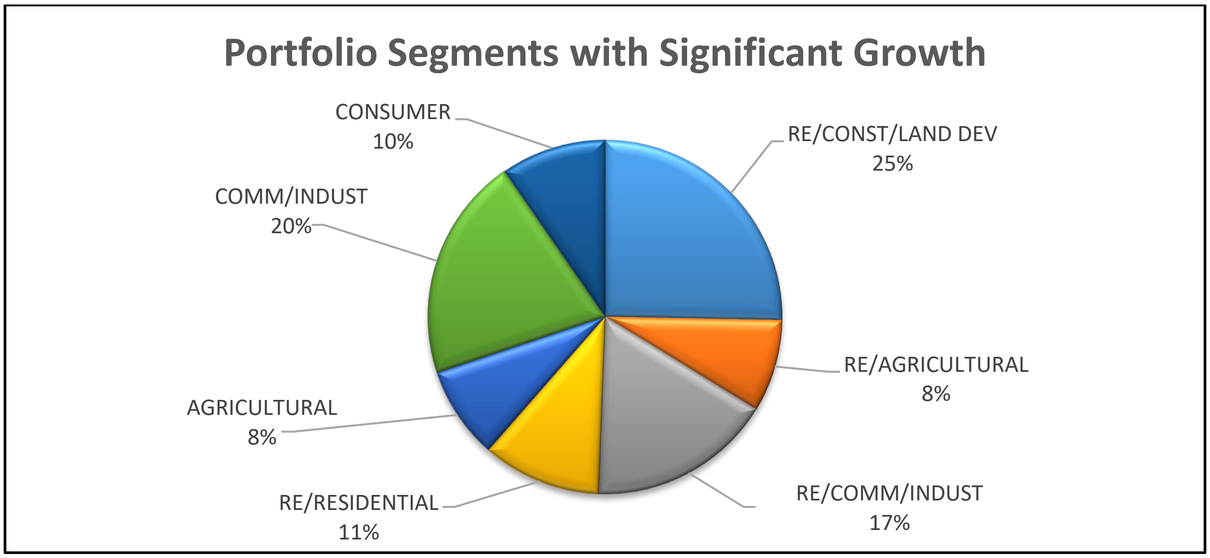
This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined each quarter. This report compiles information from all 4 quarters in 2024 to provide a full picture of the banks that were examined during the year.

Date: **FULL YEAR 2024** Number of Banks Examined: **77**

LENDING

1. Since their last examinations, **44%** of the banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **44** banks for the identified growth. Growth was identified in all segments, with commercial-related segments comprising **37%** of the growth and construction and land development the largest individual segment at **25%**.



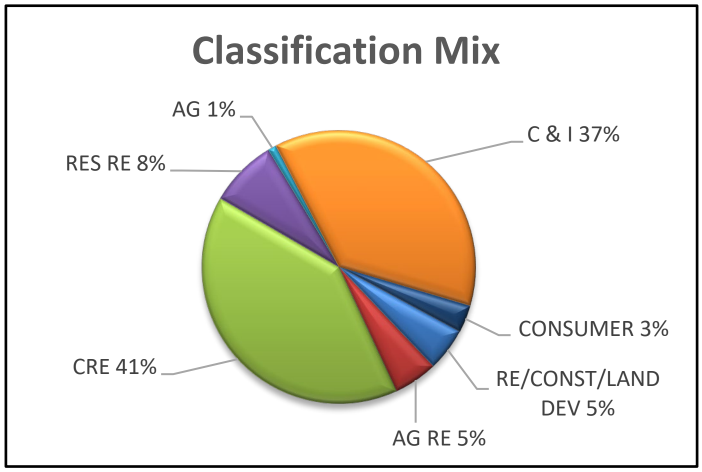
2. Only **6%** of banks examined during the year are incurring "more than normal" risk when booking new loans or modifying existing credits, this is down from **13%** of banks in 2023. Risk indicators were only noted in **five** banks and included collateral dependency, a lack of cash flow analysis, and sub-prime and unsecured lending.

3. A majority of the banks examined remain conservative in underwriting practices across all loan types reviewed. Moderate practices were noted in an average of **13%** of the banks across all loan types, with only **one** bank exhibiting liberal underwriting practices.

4. Agriculture loans represented more than 20% of total loans in **24** of the banks examined. The potential exposure to Ag risks in these banks is mostly minimal, with the majority noting low risk. However, moderate or substantial risks were noted in carryover debt in **eight** banks, subsidy phase-outs in **three** banks, and drop in land values in **seven** banks.

5. The Adversely Classified Items Coverage ratio increased in **56%** of the banks examined. The average increase was **5%**, and primarily attributed to deterioration in existing credits.

6. The mix of total loan classifications for all **77** banks is illustrated in the adjacent pie chart. Total commercial loans continue to comprise the largest portion at **78%** of total classifications.



OPERATIONAL

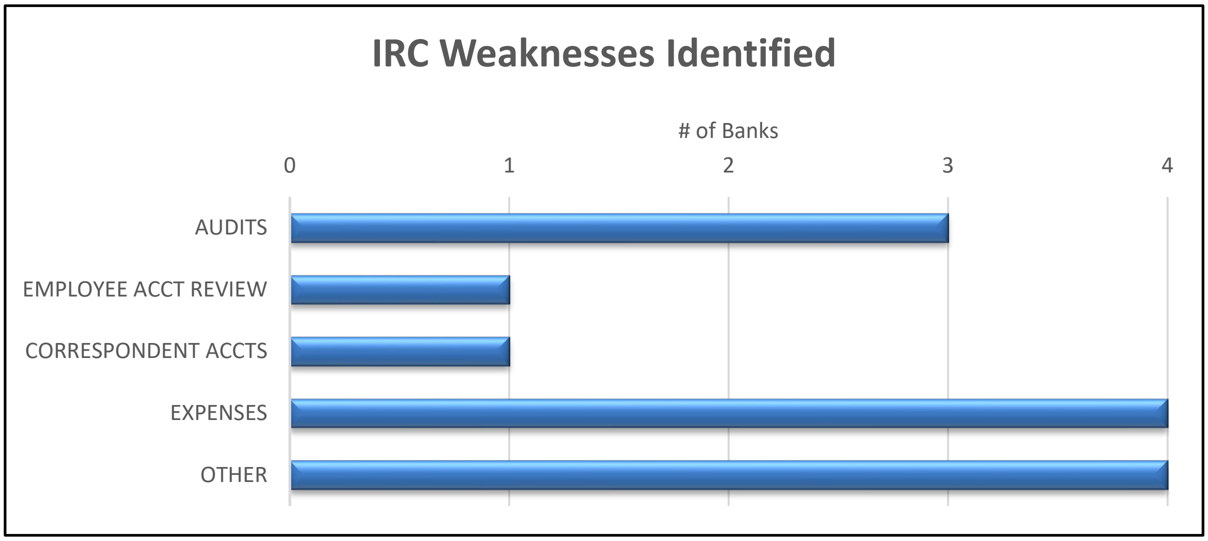
7. Banks examined primarily exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **ten** banks, with only **one** in the liberal category.

8. Banks examined mostly exhibited conservative policies and practices in relation to funds management. Increased risk is noted in some banks, with **14** banks identified as moderate risk and **two** reflecting liberal practices. These numbers are consistent with those in 2023 and continue to be the result of overall liquidity tightening in the industry.

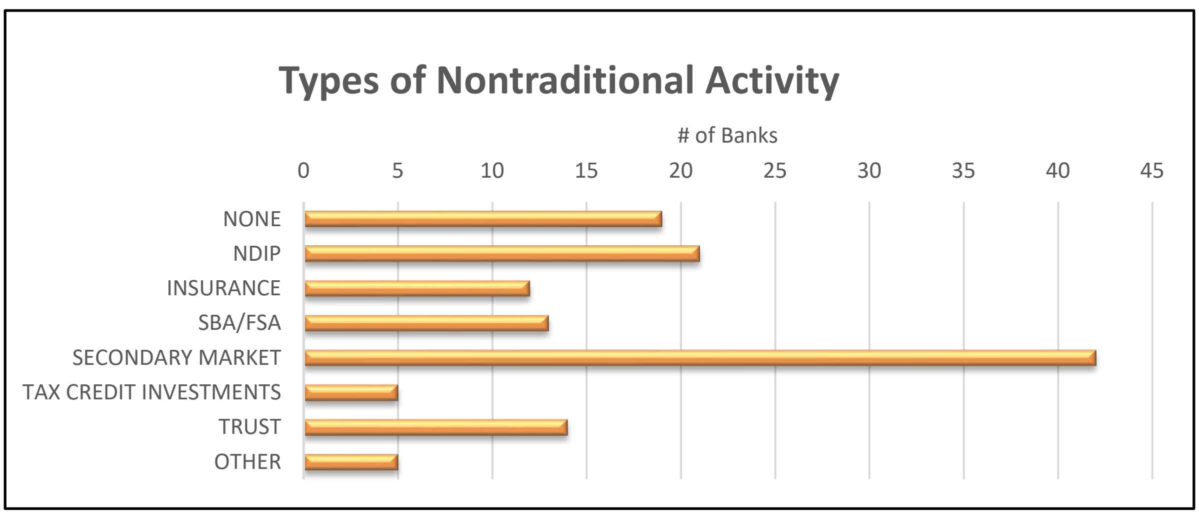
9. Examinations noted funding concentrations in **18** of the banks examined. This volume has increased each year since 2022 as noncore funding use has become more prevalent.

10. Examinations identified **three** banks that hold a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. The overall level of banks with Internal Routine and Control weaknesses is limited with no weaknesses noted in **66** banks. The chart below represents the frequency that the following types of IRC weaknesses were observed. The other category weaknesses involved issues with segregation of duties.



12. The majority of the banks examined engage in nontraditional activities, with the most significant being **32%** participating in secondary market lending. The following chart shows the types of activity observed. Other nontraditional activities consisted of health sharing accounts and FinTech activities.

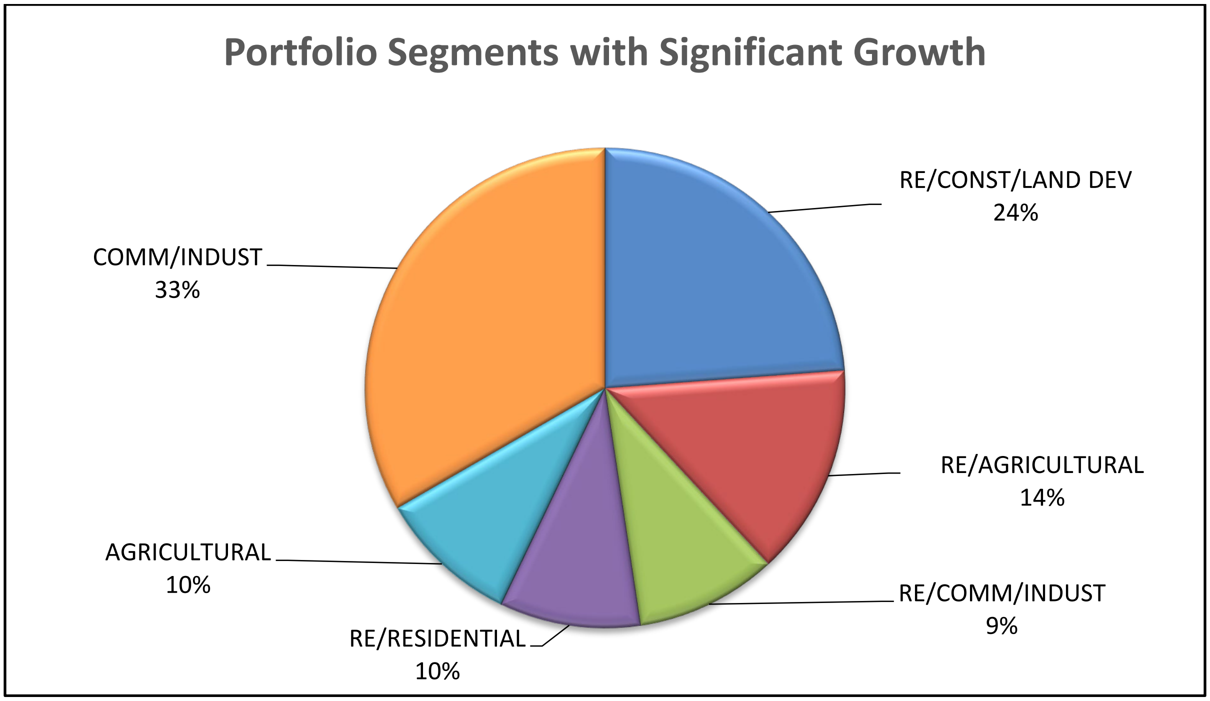


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **FIRST QUARTER 2024** Number of Banks Examined: **20**

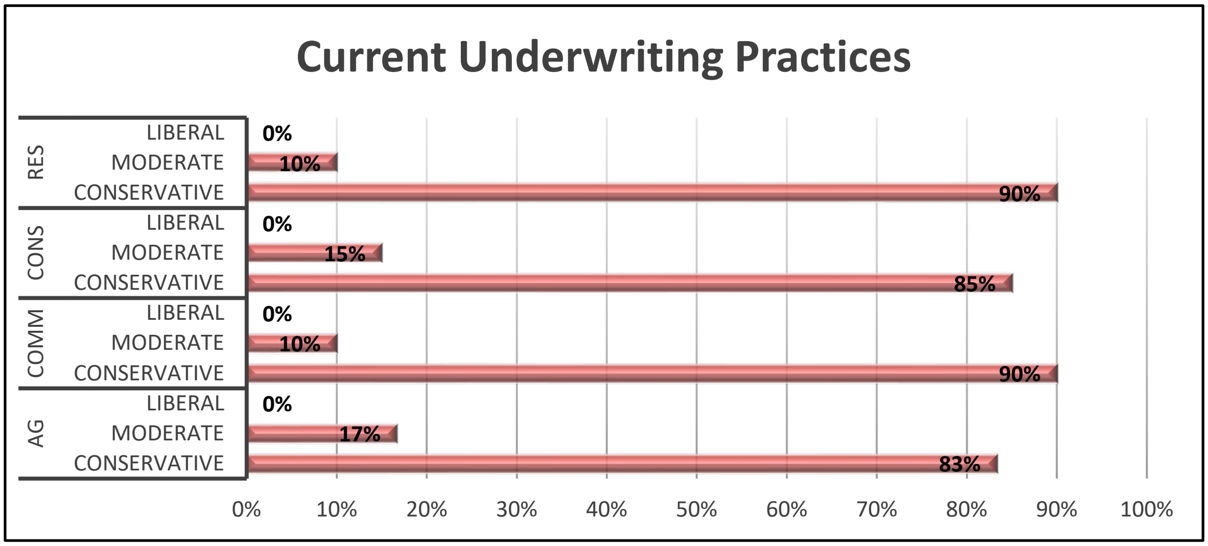
LENDING

1. Since their last examinations, **10** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **10** banks for the identified growth.

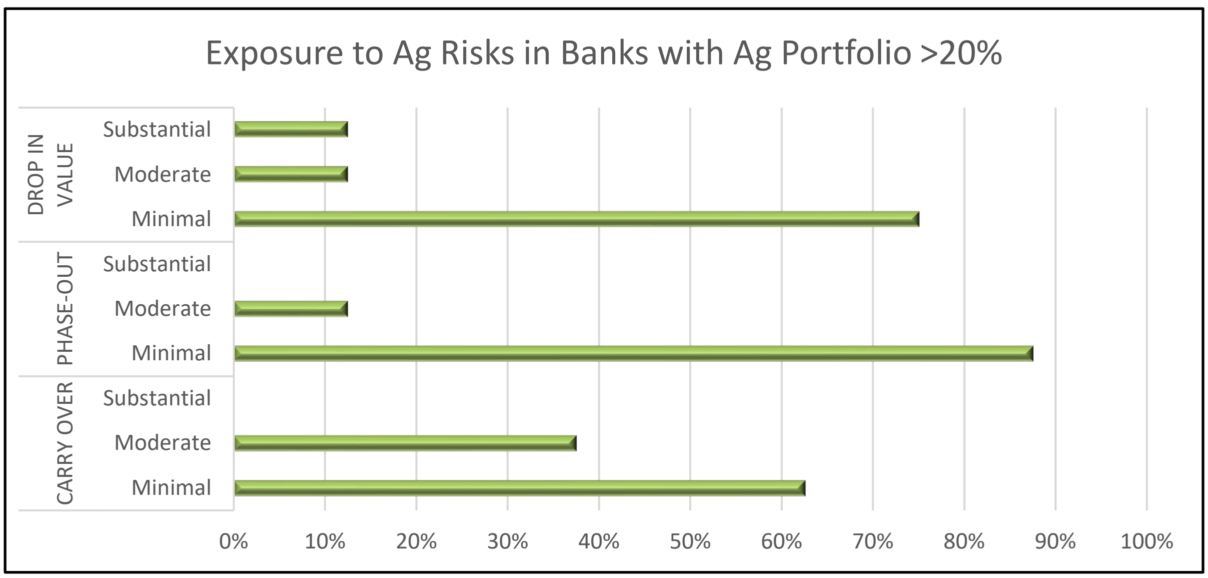


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in **2** of the banks during the quarter. Risks identified include a lack of cash flow projections and collateral dependency.

3. Though some moderate practices were identified, the majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. No liberal underwriting practices were identified. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

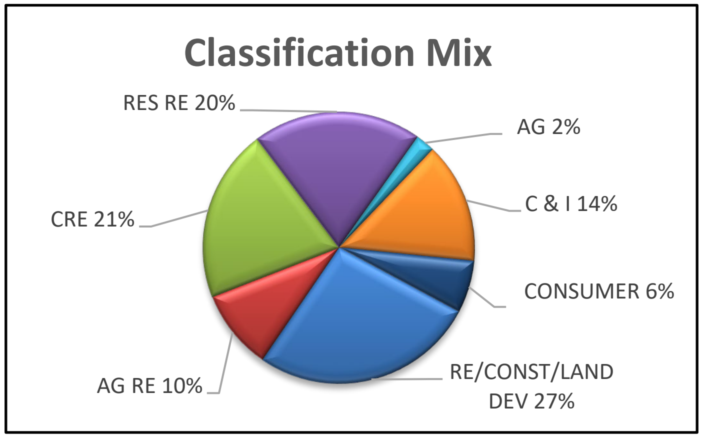


4. Agriculture loans represent more than 20% of total loans in **8** banks examined. Overall, the potential exposure to Ag risks in these banks remains mostly minimal. Increased risk related to a drop in land values is identified, with **1** bank in the substantial risk category.



5. The Adversely Classified Items Coverage ratio increased in **10** of the banks examined. Deterioration in existing credits was noted as the main factor.

6. The mix of total loan classifications for the **20** banks is illustrated in the adjacent pie chart. Classifications continue to be largely comprised of commercial related credits, though the banks examined this quarter held an increased amount in real estate, construction, and land development loans. These are also the categories with the largest growth from question #1.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **4** banks, with **none** in the liberal category.

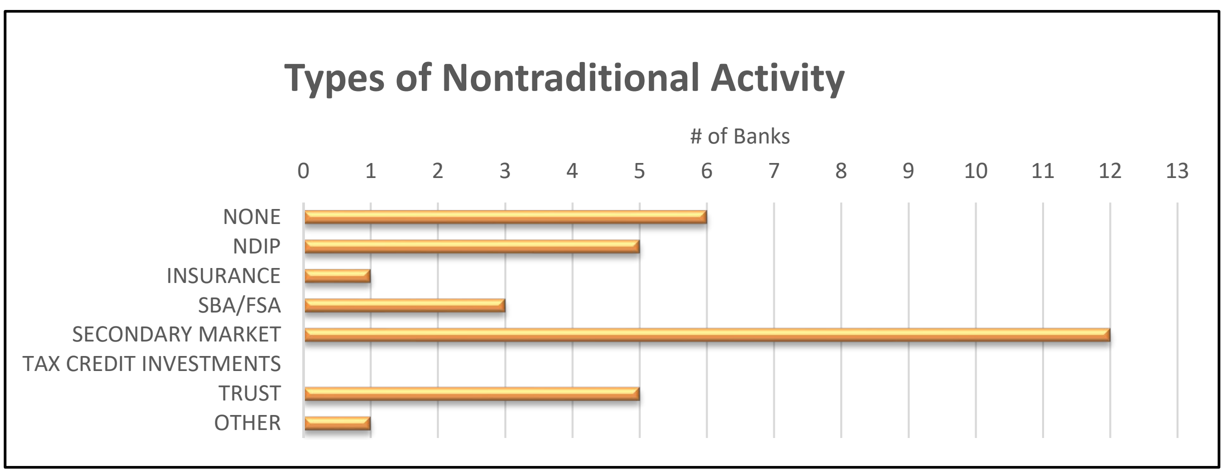
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **4** banks, with **1** exhibiting liberal practices.

9. Examiners identified funding concentrations in **6** of the banks examined.

10. Examiners noted **1** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted only **6** banks during the quarter with Internal Routine and Control weaknesses. Weaknesses identified were related to the audit environment, employee account review, due from controls, expense accounts, and segregation of duties.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below.

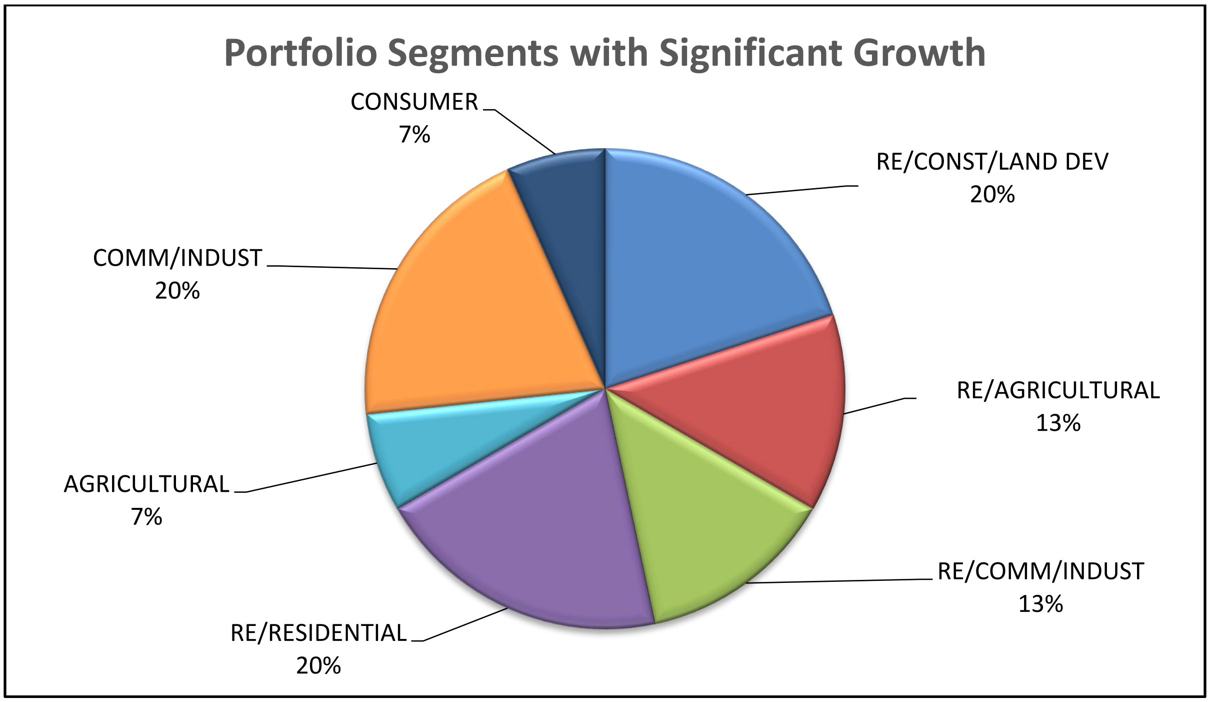


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **SECOND QUARTER 2024** Number of Banks Examined: **20**

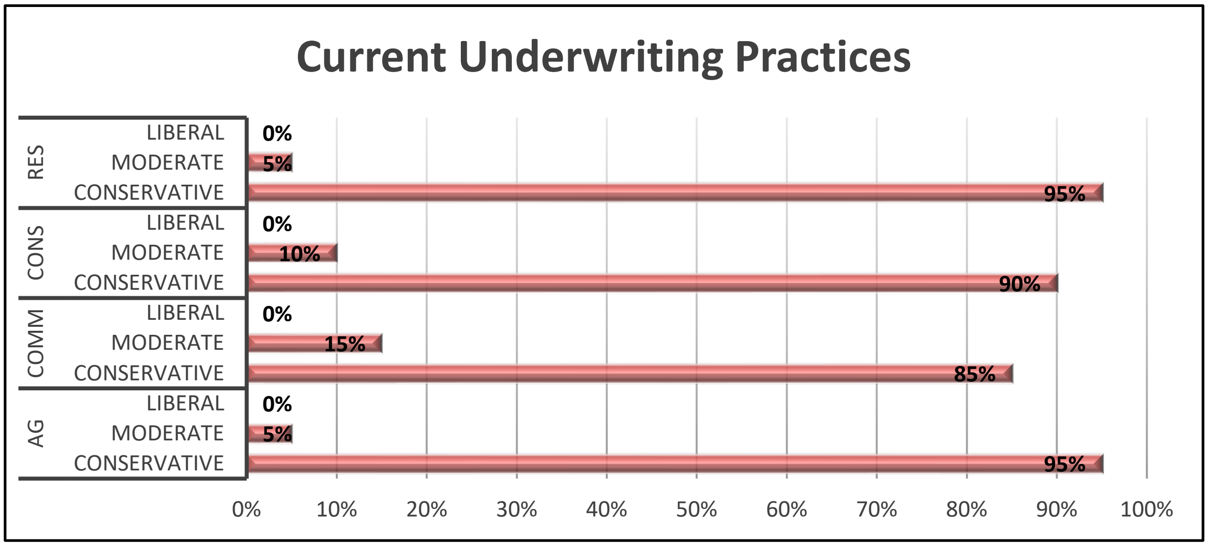
LENDING

1. Since their last examinations, **9** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **9** banks for the identified growth.

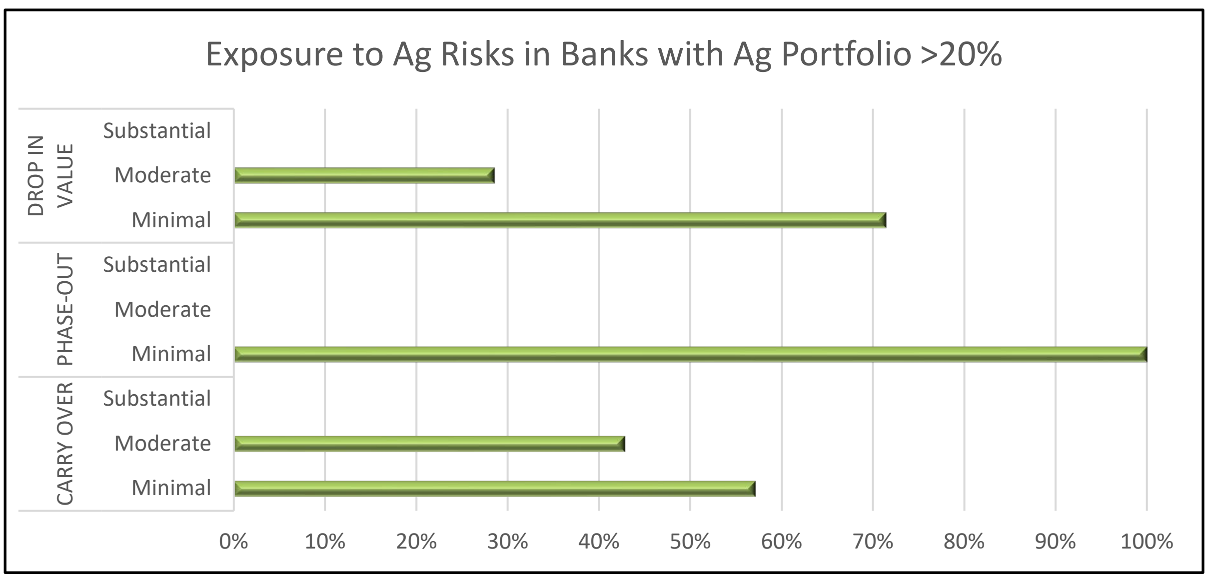


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in only **1** of the banks during the quarter. Risks identified include limited cash flow analysis and collateral dependency.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. No liberal underwriting practices were identified. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

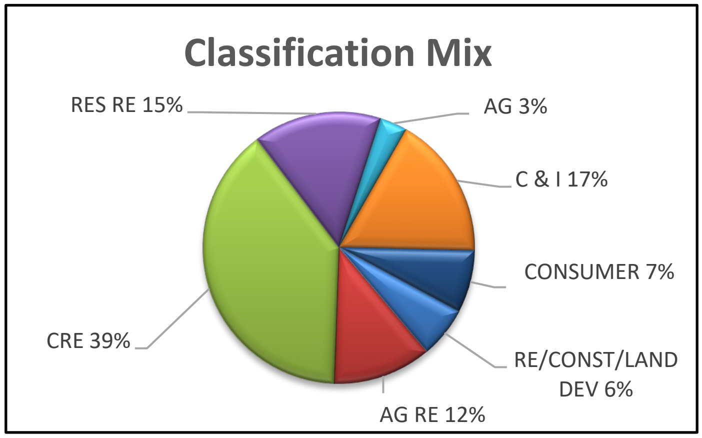


4. Agriculture loans represent more than 20% of total loans in **7** banks examined. Overall, the potential exposure to Ag risks in these banks remains mostly minimal. Moderate risk related to carryover debt and drops in land values is identified, with **no** bank in the substantial risk category.



5. The Adversely Classified Items Coverage ratio increased in **13** of the banks examined. Deterioration in existing credits was noted as the main factor, with economic factors also cited.

6. The mix of total loan classifications for the **20** banks is illustrated in the adjacent pie chart. Classifications continue to be largely comprised of commercial related credits.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **2** banks, with **none** in the liberal category.

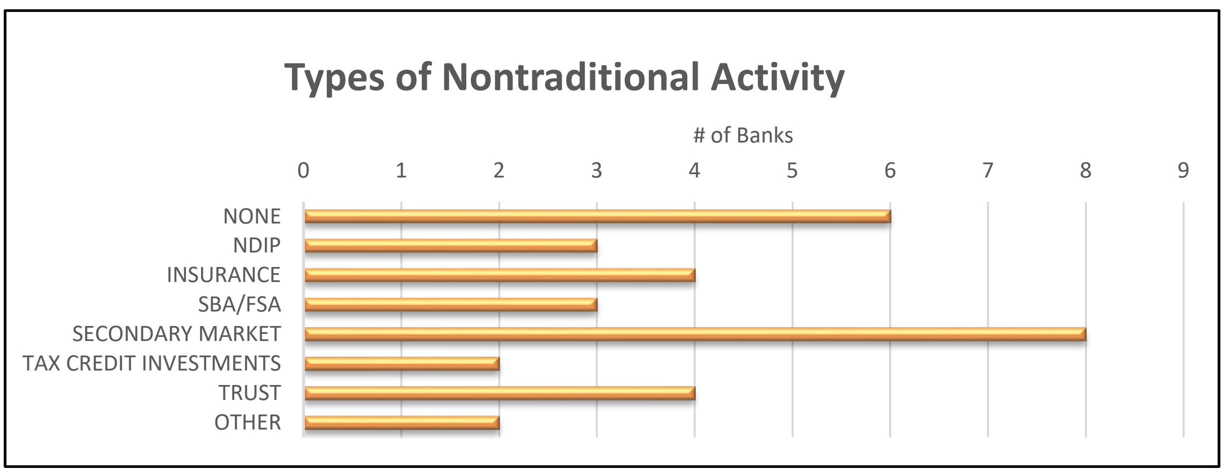
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **2** banks, with **none** exhibiting liberal practices.

9. Examiners identified a funding concentration in **1** of the banks examined.

10. Examiners noted **1** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted only **2** banks during the quarter with Internal Routine and Control weaknesses. Weaknesses identified were related to the audit environment.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. Those in the other category are related to Fintech activities.

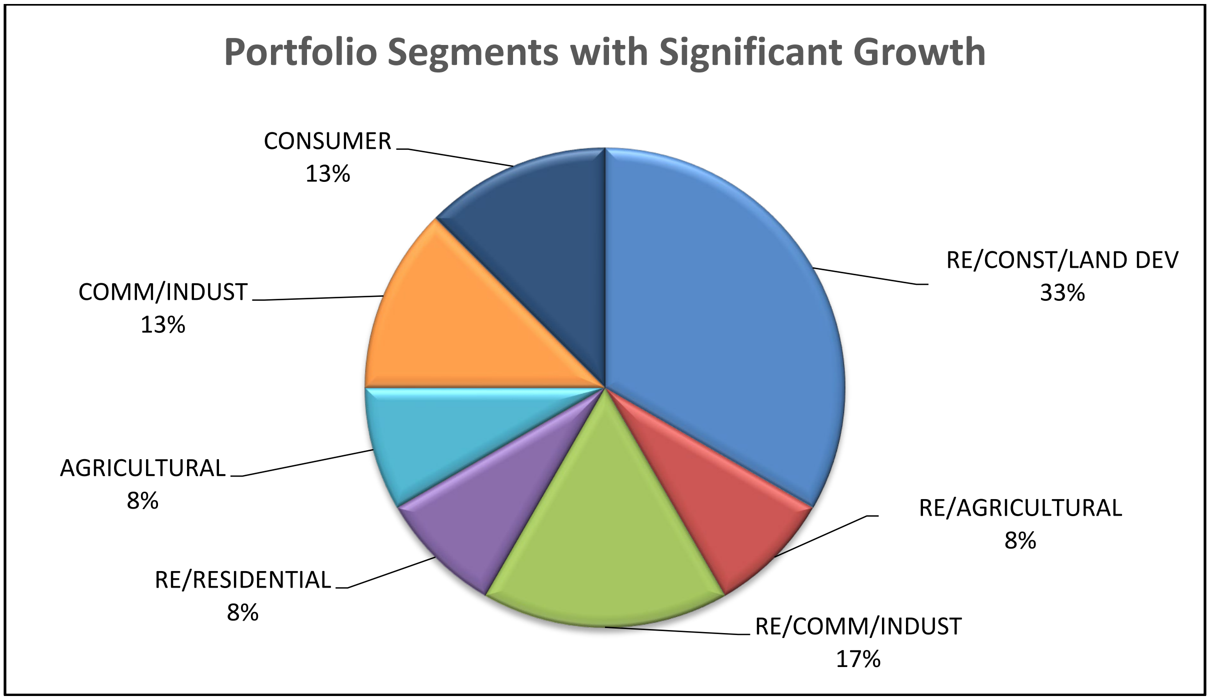


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **THIRD QUARTER 2024** Number of Banks Examined: **18**

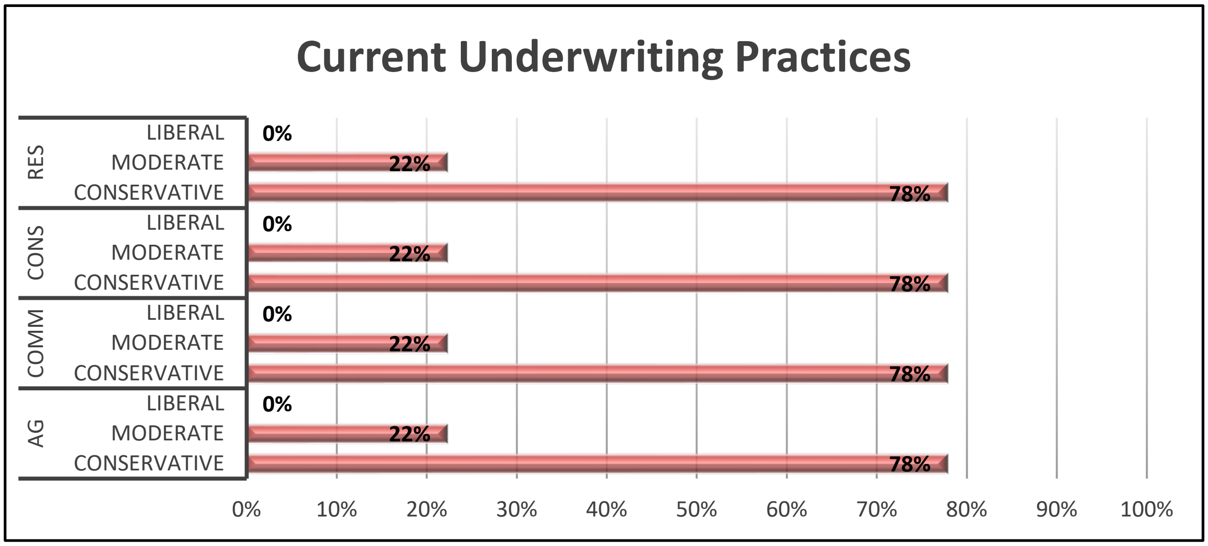
LENDING

1. Since their last examinations, **13** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **13** banks for the identified growth with the largest in the construction and land development sector.

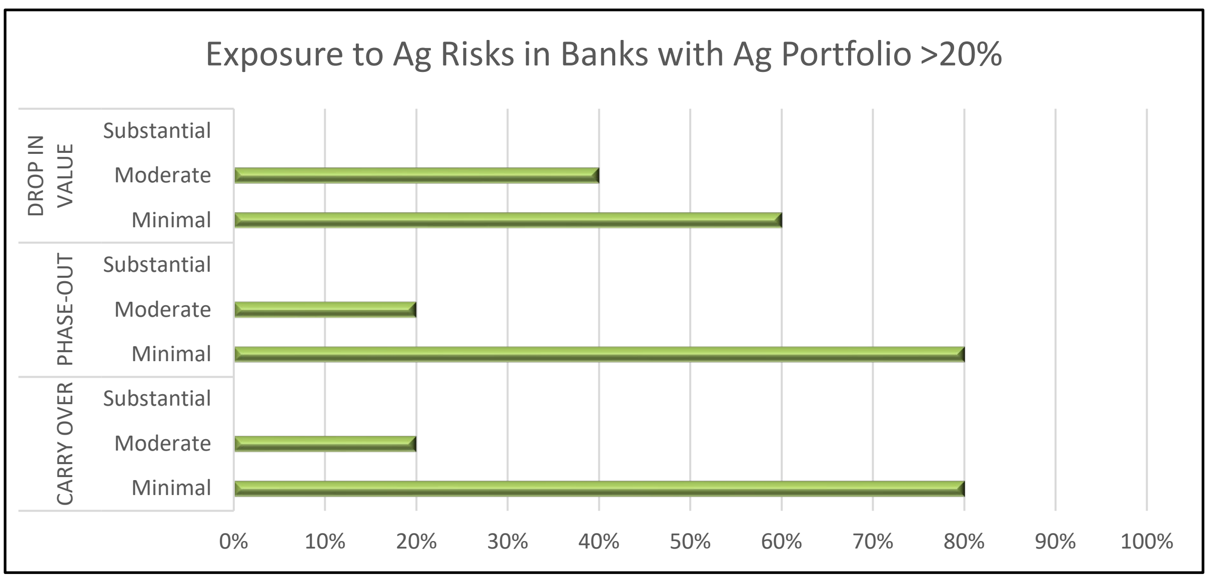


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was **not** noted in any of the banks examined during the quarter. Risks identified include limited cash flow analysis and collateral dependency.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. Liberal underwriting practices were not identified. The following graph reflects the level of underwriting practices observed in each of the four main lending areas.

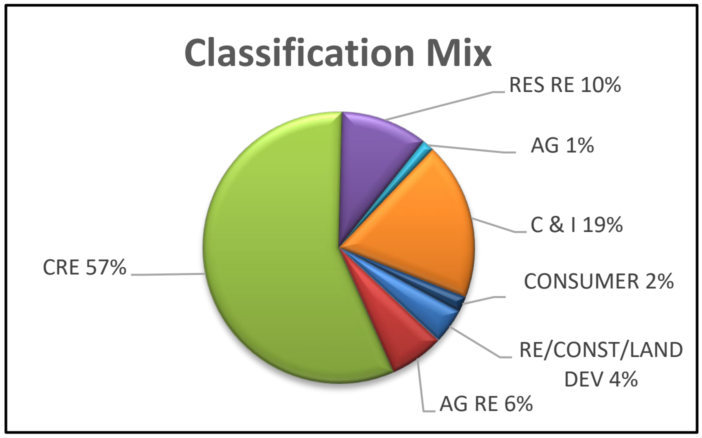


4. Agriculture loans represent more than 20% of total loans in **5** banks examined. Overall, the potential exposure to Ag risks in these banks remains mostly minimal. Some moderate risk is noted in each category, with drop in land value having the greatest percentage of moderate risk. Substantial risks were not identified.



5. The Adversely Classified Items Coverage ratio increased in **half** of the banks examined. Deterioration in existing credits was noted as the primary factor.

6. The mix of total loan classifications for the **18** banks is illustrated in the adjacent pie chart. Classifications continue to be largely comprised of commercial related credits.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. A bank was noted to have moderate risk, and another bank was noted as being in the liberal category.

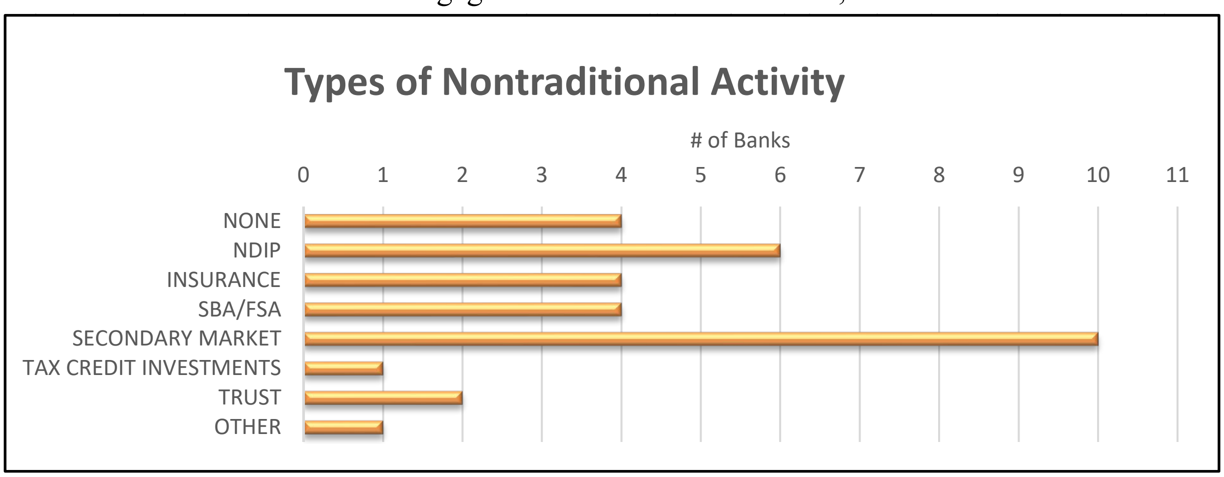
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **4** banks, with **1** exhibiting liberal practices.

9. Examiners identified a funding concentration in **4** of the banks examined. This level increased from only **1** bank in the prior quarter.

10. Examiners noted **1** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% or more of total assets.

11. Examiners noted **2** banks during the quarter with Internal Routine and Control weaknesses. Weaknesses identified in one bank related to segregation of duties within reconcilements, while widespread issues were noted in the other.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below.

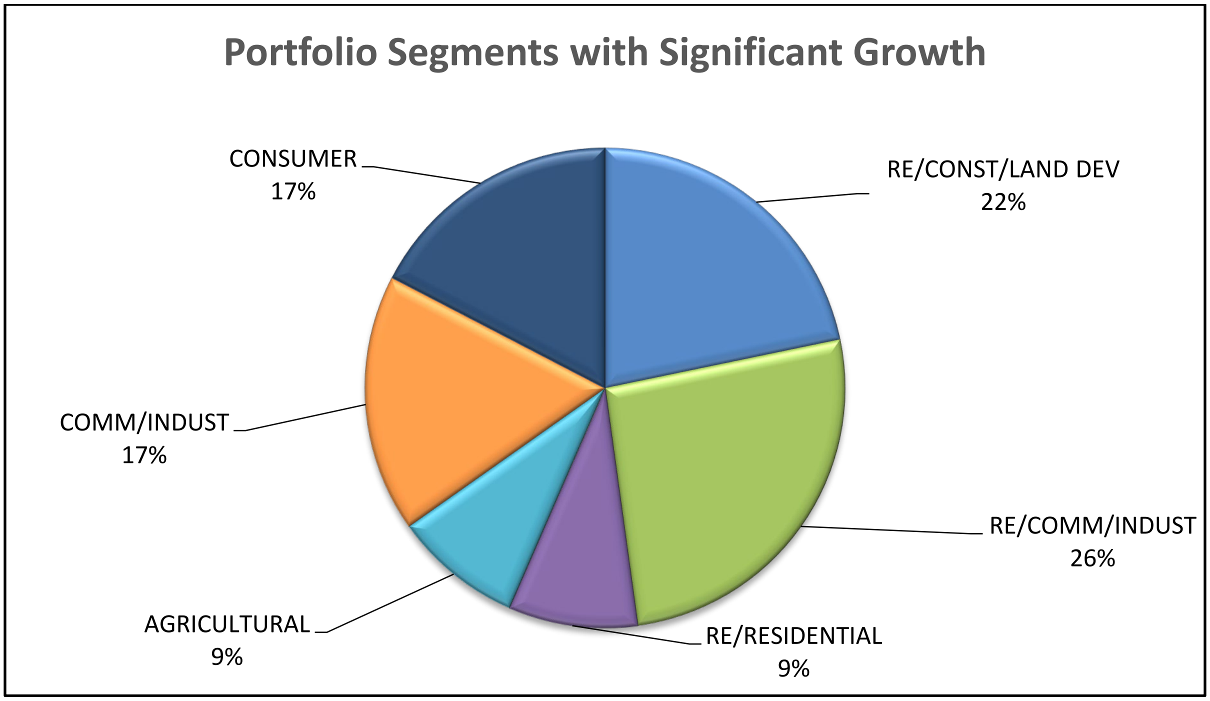


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **FOURTH QUARTER 2024** Number of Banks Examined: **19**

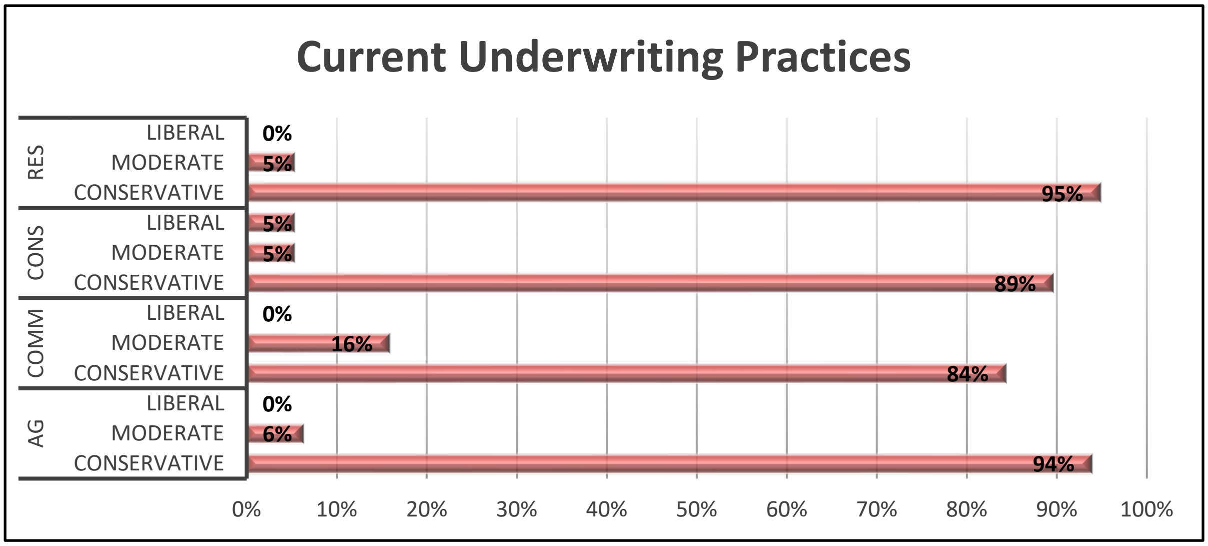
LENDING

1. Since their last examinations, **12** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **12** banks for the identified growth.

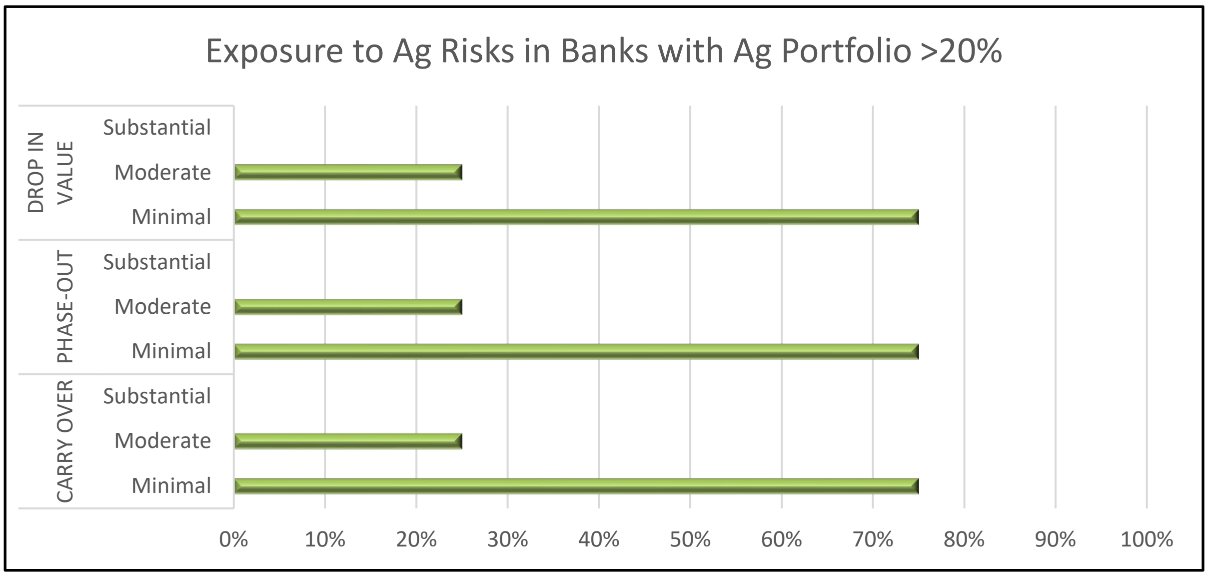


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in **two** of the banks during the quarter. Risks identified include subprime, collateral dependent, and unsecured lending.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. Liberal underwriting practices were identified at **one** bank in consumer lending. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

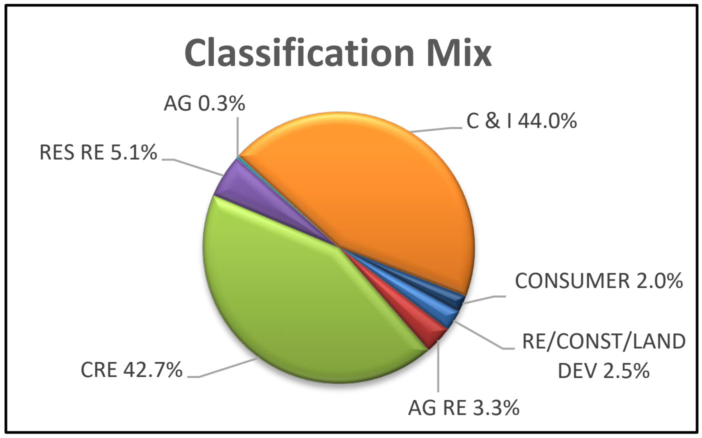


4. Agriculture loans represent more than 20% of total loans in **4** banks examined. Overall, the potential exposure to Ag risks in these banks remains mostly minimal. Some moderate risk is noted in all categories, with **no** substantial risks identified.



5. The Adversely Classified Items Coverage ratio increased in **11** of the banks examined. Deterioration in existing credits was noted as the primary factor, with deterioration in new loans and economic factors also cited.

6. The mix of total loan classifications for the **19** banks is illustrated in the adjacent pie chart. Classifications continue to be largely comprised of commercial related credits.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **3** banks.

8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **4** banks.

9. Examiners identified a funding concentration in **7** of the banks examined. This level has increased the last two quarters.

10. Examiners noted **no** banks that hold a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted only **2** banks during the quarter with Internal Routine and Control weaknesses. Weaknesses were related to call report preparation and reconcilement segregation.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. The bank in the other category engages in nontraditional activity related to Fintech activities.